

AMENDED IN SENATE MAY 31, 2005

AMENDED IN SENATE APRIL 14, 2005

**SENATE BILL**

**No. 650**

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**Introduced by Senator Ortiz**

**(Coauthors: Senators Alquist, Bowen, Cedillo, Figueroa, and  
Torlakson)**

**(Coauthors: Assembly Members Dymally, Jones, Ridley-Thomas, and  
Yee)**

February 22, 2005

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An act to repeal and add Chapter 7 (commencing with Section 104322) of Part 1 of Division 103 of the Health and Safety Code, relating to prostate cancer.

LEGISLATIVE COUNSEL'S DIGEST

SB 650, as amended, Ortiz. Prostate cancer: Improving Access, Counseling, and Treatment for Californians with Prostate Cancer (IMPACT) Program.

Existing law requires the State Department of Health Services to develop a program to provide, through contracts, prostate cancer treatment services to low-income uninsured and underinsured men. Pursuant to this requirement, the department has established the Improving Access, Counseling, and Treatment for Californians with Prostate Cancer (IMPACT) Program.

This bill would establish the IMPACT Program as a permanent program within the department's Cancer Control Branch, Cancer Detection Section. The bill would require that treatment under this program be provided to uninsured and underinsured men with incomes at or below 200% of the federal poverty level. This bill would authorize the department, at the expiration of the existing program contract, to extend, modify, and enter into new contracts for

purposes of the program. The bill would provide that the program shall be administered at the University of California, Los Angeles, under the direction of a program director, in association with clinical medicine, public health, and health services. The bill would establish program requirements and the duties of the program contractor. The bill would require the program to annually provide information to the director, and the director to submit this information to the Legislature.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) (1) The first program of its kind in the country, the  
4 Improving Access, Counseling, and Treatment for Californians  
5 with Prostate Cancer (IMPACT) Program provides treatment for  
6 uninsured and underinsured, low-income men with prostate  
7 cancer who are not eligible for other state or federal health care  
8 programs.

9 (2) The IMPACT Program was initially funded from April  
10 2001 to June 2003 at \$50,000,000. However, over the course of  
11 the three fiscal years of this initial contract, funding was cut 50  
12 percent and then 75 percent.

13 (3) Despite these funding cuts and the state's ongoing fiscal  
14 crisis, there was a demonstrated need for the program, leading  
15 the administration to extend the initial contract for two additional  
16 years at \$4.6 million in the 2003-04 fiscal year and \$6.2 million  
17 in the 2004-05 fiscal year.

18 (4) In addition, despite these funding limitations, the IMPACT  
19 Program was able to complete its scope of work for the Cancer  
20 Detection Section of the State Department of Health Services a  
21 year ahead of schedule.

22 (5) The IMPACT Program is a cost-effective and efficient  
23 program with 89 percent of its budget dedicated to patient care  
24 and 11 percent to administrative costs.

25 (b) (1) Men eligible for the IMPACT Program must have an  
26 income at or below 200 percent of the federal poverty level, and  
27 are uninsured or underinsured with a confirmed diagnosis of  
28 prostate cancer.

1 (2) In California in 2004, an estimated 23,160 men were  
2 diagnosed with prostate cancer, while an estimated 3,010 died  
3 from the disease. In the year 2002, 105,900 men were living with  
4 prostate cancer in California.

5 (3) An analysis by the IMPACT Program of the population,  
6 uninsured rates, and prostate cancer incidence in California  
7 indicates that approximately 1,150 men in the state are eligible to  
8 enroll in the program each year.

9 (c) (1) In December 2003, the IMPACT Program enrolled its  
10 500th patient.

11 (2) In addition to providing direct prostate cancer treatment  
12 services, the IMPACT Program has also provided over 10,000  
13 referrals to free or low-income prostate cancer screening  
14 services, enrollment in the Medi-Cal program, Medicare  
15 Program, or county health insurance programs, prostate cancer  
16 educational resources, and social service organizations such as  
17 the Food Stamp Program.

18 (d) In April 2004, the IMPACT Program was named as a key  
19 strategy in California's Comprehensive Cancer Control Plan. The  
20 IMPACT Program was named as a leading method of reducing  
21 the disparity and burden of prostate cancer on uninsured men in  
22 California. Recognizing the importance of the program and the  
23 gap it fills in the state health care safety net, the plan also called  
24 for assuring the continued funding of the program. The effort to  
25 create the plan was led by the American Cancer Society and the  
26 State Department of Health Services.

27 (e) (1) A recently published study found that prostate cancer  
28 direct health care costs in California were estimated at \$180  
29 million. Lost productivity from premature death was estimated at  
30 another \$180 million for a total cost of \$360 million in 1998.  
31 This is an estimated cost of \$81,022 per man with prostate  
32 cancer, \$19,938 in direct costs and \$61,084 in indirect costs.

33 (2) Other costs of prostate cancer include decreased quality of  
34 life, loss of workplace productivity for the individual or his or  
35 her family members, increased household expenses, decreased  
36 tax base, and decreased spending power of the family. These  
37 human costs of prostate cancer are often overlooked because  
38 human cost data is not kept or is incomplete.

39 (f) These costs of prostate cancer are likely to increase as life  
40 expectancy increases and improvements in prostate cancer

1 treatment continue. With 105,900 men in California living with  
2 prostate cancer, as of 2002, there are increased costs for the  
3 monitoring and management of the disease and its resulting  
4 problems, such as incontinence, erectile dysfunction, bowel  
5 dysfunction, and psychological issues related to changes in  
6 self-worth.

7 (g) (1) Men account for more than 50 percent of the uninsured  
8 in California.

9 (2) Not having health insurance has serious consequences for  
10 men because when men lack health insurance, they delay seeking  
11 needed health care, do not seek prostate cancer treatment, and die  
12 younger. Men without health insurance are more likely to be  
13 diagnosed with prostate cancer at a later, more advanced stage  
14 than those with health insurance.

15 (h) If prostate cancer is detected earlier through prostate  
16 cancer screening, an option usually unaffordable and not  
17 accessible to the uninsured, the likelihood of five-year survival is  
18 100 percent. If diagnosed at a later stage, the five-year survival  
19 rate for prostate cancer is 33 percent.

20 (i) (1) Research has identified poor access to health care as a  
21 significant cause of high mortality for minority men with cancer.

22 (2) Of the uninsured men in the United States, about 46  
23 percent are African-American, 28 percent are Latino, and 17  
24 percent are non-Latino Caucasian.

25 (3) Among poor men, nearly 59 percent of African-American  
26 men and 73 percent of Latino men have no insurance.

27 (j) (1) About four of 10 men living in poverty have not seen a  
28 physician in the past year.

29 (2) According to the federal Centers for Disease Control and  
30 Prevention, in 2001, only about two-thirds of men who were poor  
31 (incomes below the federal poverty level) or near poor (incomes  
32 between 100 percent and 200 percent of the poverty level)  
33 reported having a usual source of care, compared to 85 percent of  
34 men with incomes at or above 200 percent of the federal poverty  
35 level.

36 (k) (1) Without adequate health insurance, men cannot obtain  
37 proper care for their prostate cancer.

38 (2) The average cost of a prostate examination is \$70,  
39 although free screenings are occasionally offered to the public.

(3) A followup biopsy costs about \$1,500, and if cancer is detected, the first year of treatment alone can cost as much as \$30,000.

(4) The IMPACT Program average treatment cost is \$15,000 per man for the first year.

(l) (1) Counties are the providers of last resort and their success or failure has a dramatic effect on access, affordability, and availability of health care services for the uninsured.

(2) As funding sources shrink, county medical resources for the uninsured and underinsured are disappearing.

(3) Since 1964, the number of counties operating inpatient hospitals has decreased dramatically from 50 counties and 66 facilities to 19 counties operating 26 county inpatient hospitals. It is the norm rather than the exception that these facilities have limited hours for specialty clinics, long waiting periods, and inflexible health care delivery systems, and are not equipped to provide state of the art medicines or treatments for complicated illnesses such as prostate cancer.

(m) (1) A recent survey of California counties by the IMPACT Program found that 32 of the 58 counties do not have a facility, either county-run or operated through contract with a privately owned hospital, to which an uninsured man can go if he is in need of medical care for prostate cancer. The remaining counties are restricting services due to budget cutbacks, making it even more difficult for men in need to receive treatment for their prostate cancer.

(2) The barriers that deny the uninsured access to even minimal health care services are increasing.

SEC. 2. Chapter 7 (commencing with Section 104322) of Part 1 of Division 103 of the Health and Safety Code is repealed.

SEC. 3. Chapter 7 (commencing with Section 104322) is added to Part 1 of Division 103 of the Health and Safety Code, to read:

CHAPTER 7. IMPROVING ACCESS, COUNSELING, AND  
TREATMENT FOR CALIFORNIANS WITH PROSTATE CANCER  
(IMPACT) PROGRAM

104322. For purposes of this chapter, the following definitions shall apply:

1 (a) “Branch” means the Cancer Control Branch within the  
2 department.

3 (b) “Contractor” means the entity with which the department  
4 has achieved a formal, legal, reimbursed arrangement for the  
5 implementation of the program as required under law.

6 (c) “Department” means the State Department of Health  
7 Services.

8 (d) “Director” means the Director of Health Services.

9 (e) “Program” means the Improving Access, Counseling, and  
10 Treatment for Californians with Prostate Cancer (IMPACT)  
11 Program established under this chapter.

12 (f) “Section” means the Cancer Detection Section within the  
13 department.

14 104322.2. (a) The department shall develop, expand, and  
15 ensure quality prostate cancer treatment for low-income men  
16 who are uninsured or underinsured.

17 (b) The Improving Access, Counseling, and Treatment for  
18 Californians with Prostate Cancer (IMPACT) Program is hereby  
19 established as a permanent program within the Cancer Detection  
20 Section of the Cancer Control Branch of the department.

21 (c) Treatment provided under this chapter shall be provided to  
22 uninsured and underinsured men with incomes at or below 200  
23 percent of the federal poverty level.

24 104322.4. (a) Contracts of the program in existence during  
25 the 2005-06 state fiscal year shall continue under the  
26 specifications and in accordance with the terms of those  
27 contracts. This shall include any outstanding contracts with the  
28 University of California, Los Angeles.

29 (b) Subject to subdivision (c), at the expiration of the contract  
30 in existence during the 2005-06 fiscal year for the administration  
31 of the program, the department may do any one of the following:

32 (1) In its own discretion, extend the effective date of the  
33 contract with any modifications that may be necessary due to  
34 changes in funding, statutory requirements, or other conditions  
35 that affect the administration of the program.

36 (2) Execute a new contract with the same contractor.

37 (3) Extend a request for applications and rebid the contract.

38 (c) The department shall consider all of the following factors  
39 for purposes of selecting from among the contracting alternatives  
40 provided under subdivision (b):

1 (1) With respect to the contractor with an existing contract  
2 under the IMPACT Program, all of the following:

3 (A) The process under which that contractor was originally  
4 chosen by the department.

5 (B) The performance of that contractor over the course of the  
6 contract since its inception, with attention to contractor response  
7 to fiscal and programmatic condition changes.

8 (C) The cost-effectiveness of retaining that contractor.

9 (D) That contractor's experience level with the program  
10 operation.

11 (2) The continuity of care available to enrolled and reenrolled  
12 patients and the potential for interruption of service or  
13 availability of care for prospective enrollees into the program.

14 (d) (1) The branch shall submit to the director its proposed  
15 choice from the contracting alternatives outlined in subdivision  
16 (b) and the rationale for that choice. The director shall approve,  
17 or make modifications to, the branch's proposal.

18 (2) The director shall provide a report to the Committee on  
19 Rules of each house of the Legislature within 15 calendar days of  
20 approving or modifying the branch's proposal. The report shall  
21 include a description of the outcome and the rationale for the  
22 director's final selection among the contracting alternatives.

23 (e) Under the alternative to extend a new request for  
24 applications and rebid the contract as provided under paragraph  
25 (3) of subdivision (b), the department may award one or more  
26 contracts to provide prostate cancer treatment through private or  
27 public nonprofit organizations, including, but not limited to,  
28 community-based organizations, local health care providers, the  
29 University of California medical centers, and the Charles R.  
30 Drew University of Medicine and Science, an affiliate of the  
31 David Geffen School of Medicine at the University of California  
32 at Los Angeles.

33 (f) The contracts described in this section shall not be subject  
34 to Part 2 (commencing with Section 10100) of Division 2 of the  
35 Public Contract Code.

36 104322.6. (a) The mission of the program shall be to  
37 provide high quality prostate cancer treatment and related  
38 medical care for low-income Californians who are uninsured or  
39 underinsured.

40 (b) Overall program goals shall include all of the following:

1 (1) The creation of a comprehensive infrastructure to support a  
2 statewide prostate cancer treatment program that is adaptable to  
3 fluctuations in state funding.

4 (2) The creation of an information technology system that  
5 meets the clinical and psychological needs of the patients and  
6 provides a foundation for the evaluation of the program's  
7 accomplishments and provider treatment services.

8 (3) The creation of a sustainable patient care model that  
9 adequately addresses the barriers faced by low-income,  
10 uninsured men.

11 (4) The establishment of a broad network of providers and  
12 partnerships with community-based organizations so that patients  
13 can be treated and receive needed social and related services in  
14 their own communities.

15 (5) The education of patients on how to become active  
16 participants in their own treatment.

17 104322.8. To the extent allowed or required by the contract  
18 in effect, the program contractor shall do all of the following:

19 (a) Streamline operations to ensure continuity of patient  
20 prostate cancer care and program operations.

21 (b) Partner with pharmaceutical patient assistance programs to  
22 obtain free prostate cancer treatment medications whenever  
23 possible. In order to achieve these ongoing savings, the  
24 contractor may devote 50 percent of one full-time employee to  
25 the effort of coordinating and ordering these medications.

26 (c) Pair contracted providers with local community and  
27 medically based organizations to provide free health education at  
28 events in their communities and provide free diagnostic  
29 evaluation services in the physician's office.

30 (d) Partner with the University of California and negotiate the  
31 possibility of discounted or in-kind contributions of office space,  
32 furniture, staff, and other services that may be facilitated through  
33 the hosting University of California campus.

34 (e) Reimburse providers at Medicare Program rates, with the  
35 consent of the department. The program contractor may grant  
36 exceptions to this reimbursement requirement after giving the  
37 section notice.

38 (f) Retain a full-time employee for the purpose of addressing  
39 provider issues, including providing training for an online  
40 treatment and billing system.



1 (g) Ensure that the provider receives payment for services  
2 rendered during the determined time period included in the  
3 patient contract with the program.

4 104322.10. (a) In accordance with Section 104322.4, the  
5 program shall be administered at the University of California,  
6 Los Angeles, under the direction of a program director, in  
7 association with clinical medicine, public health, and health  
8 services. Clinical care shall be provided through a network of  
9 contracted providers throughout the state.

10 (b) The program may include regional offices throughout the  
11 state to allow for geographic tailoring and responsiveness in  
12 program implementation.

13 (c) Upon initial review of a potential patient's case, the  
14 program shall provide for links to enrollment into the Medi-Cal  
15 program, Medicare Program, or other available public health  
16 insurance coverage programs for eligible patients who are not  
17 enrolled in those programs to maximize health care coverage  
18 under existing programs before IMPACT enrolls a patient.

19 104322.12. The clinical care model shall be utilized under the  
20 program and shall include all of the following:

21 (a) Allow a treatment intervention to occur with patients as  
22 they are being treated for prostate cancer.

23 (b) Provide opportunities to model problemsolving approaches  
24 and minimize access and education barriers to promote  
25 successful interaction.

26 (c) Encourage patient-initiated activities to optimize present  
27 and future health care.

28 (d) Ensure that medical decisions affecting a patient's course  
29 of treatment shall be made by a physician.

30 104322.14. Each enrolled patient shall be assigned a nurse  
31 case manager who shall provide all of the following services:

32 (a) Facilitate the patient's prostate cancer care, including  
33 intervening on the patient's behalf before a medical emergency  
34 occurs.

35 (b) Work collaboratively with the health care provider to  
36 coordinate quality and timely prostate cancer care services.

37 (c) Work to ensure that only medically necessary covered  
38 services are provided.

39 (d) Educate the patient about treatment and the care model to  
40 promote self-efficacy.

1 104322.16. The contractor shall include an education and  
2 outreach team of personnel, which shall do all of the following:

3 (a) Focus on the socioeconomically disadvantaged population  
4 of the community and on the health care professional community  
5 providing prostate cancer detection, diagnosis, and treatment  
6 services to low-income, uninsured, and underinsured men.

7 (b) Generate referrals of African-American and Latino men to  
8 the program, focusing on providers and community-based  
9 organizations as sources.

10 (c) Provide culturally sensitive educational material that is  
11 easy to understand, and does all of the following, for underserved  
12 men:

13 (1) Enables them to be more informed participants in the  
14 medical decisionmaking process.

15 (2) Assists them in regaining a sense of control over their  
16 lives.

17 (3) Enables them to manage both disease and treatment-related  
18 symptoms competently and confidently.

19 (4) Decreases anxiety related to uncertainty.

20 (5) Encourages communication with family.

21 104322.18. (a) The program shall include interactive teams  
22 as described in this section, which shall be managed by the  
23 program administrator.

24 (b) The program shall include an administrative team, which  
25 shall be comprised of the program administrator who shall  
26 administer programmatic duties and an administrative specialist  
27 who shall support the program director, medical director,  
28 program administrator, and contract manager.

29 (c) (1) The program shall include clinical teams, which shall  
30 be comprised of two categories consisting of direct and indirect  
31 patient care.

32 (2) The direct patient care clinical team shall be directed by  
33 the medical director, managed by the clinical nurse manager, and  
34 comprised of a team that contains a nurse case manager, clinical  
35 coordinator, and assistant clinical coordinator. If the program  
36 grows, the ratio of patients per direct patient care clinical team  
37 shall remain consistent. Therefore, an appropriate number of  
38 clinical teams shall be maintained to provide patient support at a  
39 ratio of at least one team per 100 patients. In addition, each direct  
40 patient care clinical team shall include a pharmacy and laboratory

1 specialist who shall ensure patient medications and tests are  
2 addressed.

3 (3) The indirect patient care clinical team shall be managed by  
4 the program coordinator to manage community, patient, and  
5 provider education and a contract manager to facilitate patient  
6 treatment, provider education, and clinical care reimbursement.  
7 In addition, the indirect patient care clinical team shall include  
8 support staff and patient and provider educators to ensure that  
9 providers and clinical services are available statewide.

10 (d) The program shall include a health team, which shall be  
11 comprised of a manager, postgraduate staff, and graduate staff.  
12 The manager shall be responsible for ongoing program  
13 evaluation and patient tracking. The evaluation and tracking shall  
14 provide performance and outcomes information for the program,  
15 patients, legislators, and the public.

16 104322.20. (a) The program shall have an evaluation process,  
17 which shall include all of the following components:

18 (1) Quality of care indicators for services provided to patients  
19 to determine how well patient health care needs are being met  
20 under the program.

21 (2) Quality of care indicators for nursing care delivered by  
22 program nurse case managers.

23 (3) Quality of care indicators for providers.

24 (4) Quality assurance in program regional offices, which may  
25 include the utilization of biannual reports from the regional  
26 offices to assist in monitoring activities and progress that these  
27 offices have made in enrolling and coordinating the care of  
28 patients.

29 (b) On or before July 1 of each year, the program shall provide  
30 to the director all of the following information:

31 (1) The number of new men enrolled in the program.

32 (2) The number of men reenrolled in the program.

33 (3) The average cost of prostate cancer treatment per patient  
34 enrolled.

35 (4) The number of providers statewide who provide treatment  
36 services under the program.

37 (5) The number of counties accessing program services.

38 (6) The number of individuals serviced by the program where  
39 enrollment did not occur, such as with respect to referrals to the

1 Medi-Cal program, Medicare Program, county health programs,  
2 free prostate cancer screenings, or similar referrals.

3 (7) Any additional financial and budgetary accounting  
4 information or documentation supplemental to the regular  
5 financial reporting required under the terms of the program  
6 contract.

7 (c) Within a reasonable time after receiving information from  
8 the program pursuant to subdivision (b), but not to exceed 60  
9 calendar days, the department shall report this information to the  
10 Legislature.

11 104322.22. (a) The department may expend for purposes of  
12 the IMPACT Program an amount equal to ~~six million five~~  
13 ~~hundred thousand dollars (\$6,500,000) to the extent that this~~  
14 ~~amount that which~~ is appropriated for that purpose in the Budget  
15 Act of 2005 and in any future Budget Act.

16 (b) Any appropriation for the program shall be included in the  
17 annual Budget Act as an individual line item under the  
18 department.

19 (c) Subject to Section 16304 of the Government Code, the  
20 balance of funds from any prior budget appropriations shall be  
21 carried over to the prospective budget year for purposes of  
22 implementation of the program.

23 (d) The department shall contract for prostate cancer treatment  
24 services only at the level of funding budgeted from state and  
25 other sources during a fiscal year in which the Legislature has  
26 appropriated funds to the department for the program.

27 (e) *Administrative expenses shall not exceed 20 percent of the*  
28 *total funds provided to the contractor for purposes of*  
29 *implementing the program.*